

AGREEMENT OF EMPLOYMENT

Agreement made this _____ day of _____, 19____, by and between Lockheed Aircraft Corporation, a California corporation with its principal place of business in Burbank, California, (hereinafter sometimes referred to as Employer), and _____ (hereinafter sometimes referred to as Employee), an individual residing at _____.

RECITALS

WHEREAS, the United States of America (hereinafter sometimes referred to as the Government) and Employer from time to time enter into contracts whereunder Employer supplies the Government the services of competent technicians respecting the maintenance and servicing of aircraft and other related services; and

WHEREAS, Employer desires to employ Employee for work respecting the assembly, disassembly, repair, maintenance and flight line servicing of aircraft and other related services, at such locations as the Government shall designate, in connection with Employer's performance under any such contract (the term "any such contract" being hereinafter sometimes referred to as the Government Contract); and Employee desires to accept such employment in accordance with the terms and conditions herein; and

WHEREAS, Employee has agreed to engage forthwith in a training program to be provided by Employer, in preparation for Employee's assignment to duty hereunder, it being understood that engagement in said training program is a condition precedent to this Agreement, that the time spent by Employee in such training program shall not constitute services rendered or service time for any purpose under this Agreement and shall be compensated for independently and apart from this Agreement; and

WHEREAS, Employee understands that he may be called upon to render services hereunder at isolated locations outside the Continental United States; that working and living conditions at such locations may be difficult and rigorous in all respects; and that he will be serving with the armed forces of the United States in a civilian capacity and will therefore be subject to restrictions normally imposed upon civilian employees in a military organization, and may in certain contingencies be subject to discipline comparable to military discipline;

NOW, THEREFORE, the parties hereto, in consideration of the premises and the mutual undertakings hereinafter contained, do hereby agree as follows:

SECTION 1. CONTINENTAL UNITED STATES

For the purpose of this Agreement the terms "Continental limits of the United States" or "Continental United States" shall be deemed to, and shall, include only the forty-eight states of the United States and the District of Columbia.

SECTION 2. EMPLOYMENT AND DUTIES

Upon the condition that Employee shall first, in the sole opinion of Employer, successfully complete said training program and demonstrate acceptable qualifications therein, Employer hereby employs Employee to render such services and perform such duties in connection with the performance of the Government Contract as Employer may direct or designate; and Employee accepts such employment with knowledge of the terms and conditions herein set forth and agrees throughout the term of this Agreement of Employment to give his exclusive time and attention to the diligent and faithful performance of such services and duties, and to abide by and be subject to all rules, regulations and requirements of Employer, its officers, agents and supervisory employees, as well as those of the United States Government, and all civil laws and regulations in effect from time to time at the place or places of duty where Employee may be assigned during the continuance of, and in connection with, Employee's employment hereunder. Wherever in this Agreement reference is made to directions, designations or instructions of Employer, such reference shall be deemed to include directions, designations, and instructions given to Employee by such representatives of the United States Government as Employer may specify.

SECTION 3. CANCELLATION OF PRIOR AGREEMENTS

If employee is presently employed by Employer under any agreement of employment, written or oral, the parties hereto agree that such agreement of employment will be canceled and terminated concurrently with the commencement of the term of this Agreement of Employment which shall be substituted in lieu of the agreement so canceled and shall set forth the terms and conditions of Employee's employment by Employer, provided however that if Employee at the time of execution of this agreement shall enjoy seniority with Employer, the execution of this Agreement and the completion of performance thereunder shall not, subject to any applicable collective bargaining agreement, deprive Employee of such seniority or of any rights that may accrue to him by reason thereof including without limitation the right to job opportunities upon expiration of the term of this Agreement and the right to participate in any retirement plan of Employer, in accordance with the requirements of said plan as they may be amended from time to time.

SECTION 4. TERM OF EMPLOYMENT

The term of Employee's employment hereunder shall commence on the Monday of the week of Employee's departure from the Continental United States hereunder, and shall continue for a period of 78 weeks thereafter, unless terminated at an earlier date pursuant to one of the provisions of Section 16 hereof. Employer may by notice in writing to Employee extend the term for a period not to exceed four weeks.

SECTION 5. AMOUNT, TIME AND MODE OF PAYMENT OF SALARY

(a) Beginning with the date the term of Employee's employment hereunder becomes effective as defined in Section 4 hereof entitled "Term of Employment" and until it shall expire under the provisions of Section 4 hereof or be terminated in accordance with Section 16 hereof, Employee shall be paid at a salary rate of [REDACTED] per week; provided, however, that there shall be withheld (in addition to any lawful deductions) therefrom by Employer the sum of [REDACTED] per week and the aggregate of the amounts so withheld shall be paid to Employee only upon satis-

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factory completion by him of 78 weeks of service hereunder or upon termination of this Agreement other than in accordance with Section 16 (a) or Section 16 (c) hereof. If this Agreement is terminated in accordance with Section 16 (a) or Section 16 (c) hereof, Employee shall have no right to the amounts so withheld and his salary rate hereunder shall be deemed to be [REDACTED] per week.

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(b) Employee shall designate in writing the portion of his salary which he desires paid to him at his place of duty while employed outside the Continental United States; such amounts to be paid in United States currency or its equivalent in currency of said place of duty at the legal rate of exchange at said place of duty. The balance, if any, of Employee's salary shall be deposited (less any lawful deductions) for the account and risk of Employee in a bank or trust company in the United States to be mutually agreed upon and designated by Employer and Employee, or, in the absence of such designation, in a member bank of the Federal Reserve System selected by Employer. The receipt therefor of such bank or trust company shall constitute conclusive evidence of payment to Employee.

(c) Salary payments shall be weekly or monthly as Employer may from time to time elect. Failure on the part of Employer to respond to the precise time and mode of payment of salary prescribed herein shall not be considered as a breach or default on the part of Employer in those cases in which such failure is the result of causes beyond Employer's control.

(d) Employee will not seek reimbursement from Employer for any foreign exchange loss that he may incur as a result of converting into foreign or American money any sums paid or payable to him under the terms of this Agreement of employment, and it is understood that the Employer shall be under no obligation to exchange foreign exchange or currency of any country into American currency or exchange.

(e) There shall be no restriction upon the number of Employee's work hours per day or the number of Employee's work days per week. The salary and compensation herein provided to be paid Employee is substantially in excess of that which Employee would receive for similar services rendered in the United States at the date hereof and includes compensation for any extra or overtime services to be performed, and Employee shall not be paid or compensated otherwise for services which ordinarily would be extra or overtime services. The privilege of local time-off shall accrue to Employee at the rate of eight and one-half days for each month of overseas service hereunder (excluding, in computing the period of overseas service hereunder, any period of vacation taken pursuant to Section 8 hereof). Such time-off, however, may be taken only at such times as Employer in its discretion shall designate. Employee may elect, at his option, to forego taking two days of each such eight and one-half days of time-off, in which event the amount of the overseas differential provided for in Section 7 hereof shall be increased by a sum equal to [REDACTED] per day for each such day of time-off so foregone. Time-off earned in any month but not permitted by Employer to be taken in such month shall be accumulated and shall be taken at such later times during the term of employment as Employer in its discretion shall designate, and may in the discretion of Employer be permitted to be taken away from the place of duty. Employer shall have no obligation to furnish transportation for such time-off taken away from the place of duty nor for return thereto at the expiration of such time off.

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During the term of this Agreement and except while Employee is on vacation or taking time-off away from the place of duty, Employer will provide, or cause to be provided, without charge, Employee's food and housing commensurate with the circumstances and available facilities of the location to which Employee is assigned.

SECTION 7. OVERSEAS DIFFERENTIAL

(a) In consideration of Employee's entering into this agreement for the performance of services outside the Continental United States for a minimum period of 78 weeks, Employer will, upon satisfactory completion of 78 weeks of satisfactory and continuous performance of service by Employee under this Agreement, promptly pay to Employee the sum of [REDACTED] as an overseas differential for such service; and Employee's right to such overseas differential shall accrue only upon such completion, provided, however, that if this Agreement shall be terminated other than in accordance with the provisions of Section 16 (a) or Section 16 (c) hereof, Employer shall pay to Employee as such overseas differential the sum of [REDACTED] for completion of 26 weeks or less of continuous service and [REDACTED] for each week of continuous service (or a pro rata portion thereof for a period less than one week) in excess of 26 weeks of such service, computed to the date of his arrival at Burbank, California.

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(b) In computing the duration of Employee's service under this Agreement, and in determining the eligibility of Employee for said overseas differential, his service shall be deemed to commence on the commencement of the term of employment as defined in Section 4 hereof, and the continuity and duration of Employee's service shall not be considered to have been interrupted if Employee returns to the United States for vacation in accordance with Section 8 hereof.

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SECTION 8. VACATION, SICK LEAVE AND TERMINAL LEAVE

(a) Vacation: During the term of employment specified in Section 4 hereof, Employee shall be given four weeks of vacation with pay; provided, however, that Employee shall not be entitled to such vacation otherwise than as specified below and provided further, however, that if this Agreement of Employment shall be terminated for any reason other than in accordance with the provisions of Section 16 (a) or Section 16 (c) hereof, Employer will pay to Employee pro rata compensation for the vacation time accrued to the date of such termination. Employee may take four weeks' vacation at such time after nine months', and prior to twelve months', continuous service hereunder as Employer shall specify and Employer will make available to Employee transportation to Burbank, California, and return to Employee's place of duty hereunder. Employee may at his option elect to shorten his vacation to three weeks instead of four weeks.

(b) Sick Leave: In the event of sickness, Employee shall be entitled to paid sick leave as determined by Employer, but not less than nine days. During periods of paid sick leave Employee shall be entitled to his regular pay and subsistence.

(c) Terminal Leave: Upon satisfactory completion of 78 weeks of service hereunder, or upon termination in accordance with Section 16 (b) hereof after at least 52 weeks of service hereunder, Employee shall be entitled to two weeks terminal leave with pay at a rate of [REDACTED] per week.

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SECTION 9. TRANSPORTATION

(a) In reporting for and rendering services during his employment hereunder, and in traveling to and from his place or places of duty hereunder, Employee consents to travel by land, sea and air, according to routes and by any mode of conveyance which Employer may specify, and, when so directed by Employer, whether upon completion or termination of Employee's employment hereunder or otherwise, Employee agrees to return to the United States without delay by such route and means as Employer may designate.

(b) Except as herein otherwise provided, and subject to the rules and regulations prescribed in respect thereof by Employer, Employer shall furnish or cause to be furnished to Employee, transportation while Employee is traveling on Employer's business.

(c) Employee shall comply with all applicable customs, laws and regulations of the countries from, to, or through which Employee or any of his property may be transported.

SECTION 10. PASSPORTS AND PREPARATION FOR TRAVEL

(a) This Agreement is predicated upon satisfactory proof furnished by Employee that he is a citizen of the United States of America and upon his ability to secure necessary passports, visas and such other permits as may be necessary to authorize his departure and absence from the United States, and entrance into and stay in such foreign countries as may be necessary, to pass such physical examination, and to submit to such disease immunization, finger-printing, and to comply with other regulations as may be required by proper authority or by Employer.

(b) If Employee is so qualified, Employer shall assist Employee in obtaining the necessary passports, travel permits and visas, for Employee without cost to him.

SECTION 11. PERSONAL TOOLS AND OTHER PROPERTY OF EMPLOYEE

(a) Employee shall provide and maintain a full set of personal tools which shall be adequate, in the opinion of Employer, for the normal requirements of his duties.

(b) If Employer shall determine on the basis of information satisfactory to it supplied by Employee, that Employee has in the course of his employment hereunder and without his fault or negligence suffered loss of his tools or other personal effects in transit or at the place of his duty hereunder, Employer may in its discretion pay Employee such amount, not to exceed [REDACTED] as in the opinion of Employer will reasonably compensate Employee for such loss.

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SECTION 12. MEDICAL SERVICES

Employee shall submit to such physical examinations, vaccinations and inoculations as Employer shall direct from time to time and at no expense to Employee. Employer will, to the extent that facilities, equipment and personnel available to it at Employee's place of duty hereunder permit, cause to be provided at no expense to Employee, such medical, dental, surgical, nursing and hospital treatment, preventative or curative, as medical examiners appointed by Employer at Employee's place of duty may from time to time determine to be necessary or desirable. Employee for security reasons shall not elsewhere seek or undergo any medical, dental, surgical, nursing or hospital treatment, whether preventative or curative, without securing prior approval of said medical examiners; and failure to comply with this requirement will be cause for immediate termination of employment within the meaning of Paragraph (a) of Section 16.

During the term of this Agreement and except while Employee is on vacation or taking time-off away from the place of duty, Employer will provide, or cause to be provided, without charge, Employee's food and housing commensurate with the circumstances and available facilities of the location to which Employee is assigned.

SECTION 7. OVERSEAS DIFFERENTIAL

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(b) In computing the duration of Employee's service under this Agreement, and in determining the eligibility of Employee for said overseas differential, his service shall be deemed to commence on the commencement of the term of employment as defined in Section 4 hereof, and the continuity and duration of Employee's service shall not be considered to have been interrupted if Employee returns to the United States for vacation in accordance with Section 8 hereof.

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(b) Sick Leave: In the event of sickness, Employee shall be entitled to paid sick leave as determined by Employer, but not less than nine days. During periods of paid sick leave Employee shall be entitled to his regular pay and subsistence.

(c) Terminal Leave: Upon satisfactory completion of 78 weeks of service hereunder, or upon termination in accordance with Section 16 (b) hereof after at least 52 weeks of service hereunder, Employee shall be entitled to two weeks terminal leave with pay at a rate of [REDACTED] per week.

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Employer written notice and claim for reimbursement of any payment so authorized within thirty (30) days after the date such payment is made. Such reimbursement will be based upon computations of tax liability on salary paid Employee by Employer and approved by Employer as having been made in accordance with established policy, and in any event such reimbursement to Employee shall not exceed that which would have been payable had Employee availed himself of the most advantageous basis for deduction and/or tax credit after giving consideration to the foreign tax paid.

SECTION 16. TERMINATION

(a) Employer may by notice in writing or by telegram or cablegram terminate Employee's employment and his right to receive further salary and other benefits hereunder for any of the following causes:

(1) If Employee, in the opinion of Employer, is not trustworthy, careful, or is otherwise disqualified to render the services required hereunder, or does not abide by all rules, regulations and requirements of Employer, its officers, agents and supervisory employees as well as those of the United States Government or foreign governments.

(2) If Employee, in the opinion of the medical examiner or examiners designated or approved by Employer, is found to be afflicted with any venereal disease.

(3) If Employee violates any of the provisions of this Agreement or fails to perform faithfully and diligently the services and duties required of him hereunder.

(4) If Employee in any respect fails to meet the standards or requirements of Employer or the United States Government for overseas service.

(5) If the performance or the personal conduct of the Employee is unsatisfactory to Employer or the United States Government; or if the United States Government has objected to the continued employment of Employee.

Upon termination by Employer under this Paragraph (a) Employer shall make available to Employee return transportation to Burbank, California, and may in its discretion but shall not be required to pay Employee any salary or other benefits for any period from and after such termination.

(b) Employer may further by notice in writing or by telegram or cablegram terminate Employee's employment under this Agreement, without cause under any of the following circumstances:

(1) Upon or after completion of the Government Contract.

(2) Upon or after termination by the Government of the Government Contract, in whole or in part.

(3) Upon or after completion of Employee's performance under this Agreement as determined by Employer.

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(4) If, in the opinion of Employer, the performance provided for in this Agreement not having been completed or terminated, the services of Employee are no longer required hereunder.

(5) If Employee shall be inducted into or recalled to active duty (as distinguished from voluntarily entering) in the armed forces of the United States.

(6) If Employee, in the opinion of a medical examiner appointed by Employer, shall be determined to be sick or incapacitated to such extent that he should be removed from his place of duty.

Upon termination by Employer under this paragraph (b), Employer shall make available to Employee return transportation to Burbank, California, and Employee shall be entitled to receive his salary until he shall be returned to such place.

(c) In the event that Employee terminates his employment hereunder voluntarily, he shall not from and after such termination be entitled to any salary or other benefits, including without limitation overseas differential, terminal leave and amounts of salary withheld pursuant to paragraph (a) of Section 5 hereof, but Employer shall make available to Employee return transportation to Burbank, California.

(d) In the event that Employee's employment hereunder is terminated by his death, the amounts due and payable by Employer to Employee hereunder, including without limitation the amount of his salary previously withheld pursuant to paragraph (a) of Section 5 hereof and his overseas differential pursuant to Section 7 hereof, shall be deposited to his account in the bank designated pursuant to paragraph (b) of Section 5 hereof.

SECTION 17. SECRECY AND SECURITY

Concurrently with the execution of this Agreement, Employee has executed a Secrecy Agreement. Employee recognizes that strict maintenance of security is of the utmost importance and that failure to comply strictly with all security requirements of the United States Government will subject him to severe punishment.

SECTION 18. SEPARABILITY OF CONTRACT TERMS

In the event that any one or more of the provisions of the Agreement shall, for any reason whatsoever, be held by competent authority to be invalid or unenforceable, such particular provision or provisions shall be deemed to be separable from the remainder of this Agreement; and all of the remaining provisions, terms and conditions of this Agreement shall continue in full force and effect and be binding upon the parties hereto, in the same manner as if the severed provision or provisions had never been included herein.

SECTION 19. MISCELLANEOUS

This Agreement of Employment constitutes the entire agreement between the parties hereto relating to the subject matter hereof and the provisions thereof shall be construed and interpreted solely in accordance with the laws of the

State of California. It is specifically agreed that Lockheed Aircraft Corporation may assign its rights and delegate its duties under this Agreement of Employment or subsequent Agreements requiring the services of Employee to any Lockheed Aircraft Corporation organization, affiliate or subsidiary; and that Lockheed Aircraft Corporation may delegate said duties or any of them to representatives of the United States Government. It is expressly understood and agreed, however, that this Agreement of Employment does not create any employer-employee relationship between the Government and Employee, nor does it entitle Employee to any benefits incidental to Government employment. It is further agreed that no assignment of rights under this Agreement of Employment or subsequent agreements requiring the services of Employee shall be made by Employee without the written consent of Employer. Unless this Agreement of Employment is executed on behalf of Employer by an officer or authorized representative thereof, it shall not become binding.

SECTION 20. CERTIFICATION BY EMPLOYEE

The Employee certifies to Employer that he has read the foregoing Agreement and that he fully understands its terms and conditions, and further certifies that the foregoing terms and conditions constitute his entire agreement with the Employer, and that no promises or understandings have been made other than those stated above; and it is specifically agreed by the parties hereto that this Agreement shall be subject to modification only by written instrument signed by both Employer and the Employee.

No promises or representations of any kind have been made to the Employee regarding exemption from payment of the United States or any other income tax. United States income tax will be withheld as well as any other applicable tax.

IN WITNESS WHEREOF, Employer has caused this Agreement to be executed in duplicate in the City of _____, State of _____ by its officer or other person thereunto duly authorized and its corporate seal to be affixed hereto, and Employee has executed the same, in duplicate, the day and year first above written.

LOCKHEED AIRCRAFT CORPORATION

Witness to Signature of Employee

By _____

Employee